Information Item

California Postsecondary Education Commission

Legislative Update, October 2003

The Legislature ended the first half of the 2003-2004 legislative session on Friday, September 12, 2003. In order to go into effect on January 1, 2004, all bills had to be passed by both houses of the Legislature by September 12 and signed by the Governor on or before October 12. Those bills that remain in committee or are held on the chamber floors remain under consideration as "two-year" bills. The Legislature will reconvene for the second year of the biennium on January 5, 2004.

This agenda item provides a summary of legislative activities since the last Commission meeting. Staff will also provide an oral presentation summarizing actions since the agenda went to print.

This item is organized into four parts:

Part One, pages 1-4, contains legislative highlights and information on significant bills passed by the Legislature that directly affect higher education.

Part Two, pages 5-6, presents a matrix of key bills during the first half of the 2003-2004 legislative session.

Part Three, pages 7-12, contains a brief summary of each post-secondary education bill listed on the matrix.

Part Four, pages 13-16, lists the members of the legislative committees that will hold hearings on postsecondary education-related bills.

Part Five, page 17, is an index of the bills in this agenda item.

Presenter: Robert L. Moore.

LEGISLATIVE UPDATE, OCTOBER 2003

A Report to the Governmental Relations Committee of the California Postsecondary Education Commission



CALIFORNIA POSTSECONDARY EDUCATION COMMISSION 1303 J Street + Suite 500 + Sacramento, California 95814-2938

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Legislative Highlights

HE LEGISLATURE ended the first half of the 2003-2004 legislative session on Friday, September 12, 2003. In order to go into effect on January 1, 2004, all bills had to be passed by both houses of the Legislature by September 12 and signed by the Governor on or before October 12. Those bills that remain in committee or are held on the chamber floors remain under consideration as "two-year" bills. The Legislature will reconvene for the second year of the biennium on January 5, 2004.

Amid the flurry of activity during the last weeks of the 2003 legislative session, a number of bills were amended on the Senate or Assembly Floors with little or no analysis or discussion. This "gut and amend" practice attracted a great deal of attention this year, due in part to the impending special recall election. However, California legislators debated and passed a number of significant bills on major statewide issues such as domestic partner entitlements, driver's licenses for immigrants, workers' compensation reforms, and health insurance requirements for employers.

Significant bills passed by the Legislature that directly affect higher education in the State include the following:

- AB 833 (Steinberg), which would establish standards, identical to federal Title IX standards, to determine if educational institutions are offering male and female students equal opportunities to participate in athletics. The bill is intended to ensure that Title IX provisions would continue to be law in California even if the federal provisions are amended or repealed.
- AB 1051 (Goldberg), which would revise and clarify the definitions of "capital facilities fees" and "capacity charges" that are imposed on public agencies such as schools and community colleges. The bill could increase costs that can be imposed on schools and was strongly opposed by the higher education community.
- AB 1783 (Assembly Committee on Higher Education), which would repeal the sunset date of the existing cross enrollment program, enabling it to continue indefinitely. The bill changes existing law to enable campuses to charge a student participation fee sufficient to cover administrative costs of the program. Signed by Governor [Chapter 457].
- SB 25 (Bowen), which would require the Student Aid Commission and public institutions of higher education to comply with existing

- provisions prohibiting the public display of social security numbers required to access products, services, or internet connections. The bill contains other provisions relating to fraud alert notification.
- SB 328 (Escutia), which would provide Board of Governors (BOG) fee waivers to undocumented immigrant alien community college students. The bill is follow-up legislation to AB 540 of last year, which provided that certain undocumented immigrant alien students are eligible to pay resident fees for enrollment in public colleges and universities.
- SB 338 (Scott), which would specify the conditions whereby concurrent enrollment of pupils between a school and community college district is permitted. The bill is an effort to more narrowly define the parameters under which the community college system receives funding for concurrently enrolled students.
- SB 346 (Figueroa), which would require the Bureau for Private Postsecondary and Vocational Education to: (1) work with a number of parties to revise the Private Postsecondary and Vocational Education Reform Act of 1989, (2) create an expanded outreach program, and (3) provide the Legislature with a progress report on corrective actions taken in response to two recent audits of the Bureau's complaint procedures, approvals, tuition refunds, data processing, and outreach efforts.
- SB 611 (Ducheny), which would add English language development assessments and standards to those elements to be considered in the development and evaluation of the California Subject Matter Projects.
- SB 680 (McPherson), which would require the Student Aid Commission (SAC) to review the existing formula for calculating a high school student's grade point average. The bill also requires the Commission to include a report on the review in its annual report. This bill is the outgrowth of a CPEC report recommendation that the SAC should convene a task force to study the Cal Grant program to ensure that the State's Cal Grant program clearly addresses the unique needs of older, non-traditional, and re-entry students.
- SB 728 (Scott), which would simplify the Cal Grant application process by providing that any applicant who qualifies to be considered under the simplified needs test established by federal law shall be presumed to meet the asset level test required by the Cal Grant program. Signed by Governor [Chapter 339].
- SB 967 (Burton), which exempts degree-granting institutions accredited by specified regional accrediting bodies from programmatic and institutional review and approval by the Bureau for Private Postsecondary and Vocational Education (BPPVE). Those institutions remain subject to all other regulatory oversight provisions of the Postsecondary and Vocational Reform Act of 1989, including fiscal requirements, information reporting, compliance with student

protections, and enforcement actions for violations. Signed by Governor [Chapter 340].

2 Matrix of Selected Legislation

HIS MATRIX reflects actions as of September 24, 2003, on legislation tracked by the Commission during the first half of the 2003-2004 legislative session. Following the matrix are summaries that contain a brief description of each bill. Commission staff will report to the Committee orally on any new information concerning the legislation on the matrix since this report went to print on September 24, 2003.

Brief summaries of the bills listed on the matrix are can be found in the following section.

MATRIX 2003-2004 LEGISLATIVE PRIORITY BILLS											
	Bill Number	Author	Subject	CPEC Position	Policy Committee	Fiscal Committee	Floor Action	Policy Committee	Fiscal Committee	Floor Action	COMMENTS
1.	AB 550	Diaz	Mandatory Systemwide Resident Student Fee Policy	Watch	X	Н					Held on Suspense File in Assembly Appropriations Committee.
2.	AB 655*	Liu	CPEC, CSAC, BPPVE Consolidation	Support	X	X	X	X	Н		Held on Suspense File in Senate Appropriations Committee.
3.	AB 680*	Liu	Community College Fees	Watch	X	Н					Held on Suspense File in Assembly Appropriations Committee.
4.	AB 825	Firebaugh	Cal Grant Program - Transfer Students	Support	X	X	X	P			Pending consideration in Senate Education Committee.
5.	AB 843*	Committee on Higher Education	Mandatory Systemwide Resident Student Fee Policy	Support	X	Н					Held on Suspense File in Assembly Appropriations Committee.
6.	AB 1323*	Jackson	Cal Grant Program - Decentralized Campus-Based Approach	Support	X	Н					Held on Suspense File in Assembly Appropriations Committee.
7.	AB 1543	Firebaugh	CCC: Nursing Programs - Admissions	Support	X	Н					Held on Suspense File in Assembly Appropriations Committee.
8.	AB 1783	Committee on Higher Education	Cross-Enrollment	Support	X	X	X	X	X	X	Chaptered by Secretary of State on 9/22/03, Chapter No. 457.
9.	ACA 4	Simitian	Taxation: Educational Entities: Parcel Tax	Support	X	X	Н				Held on Assembly inactive file.
10.	SB 6*	Alpert	Public Education Governance (Master Plan)	Watch	X	Н					Held on Suspense File in Senate Appropriations Committee.
11.	SB 76	Denham	California Community College Block Grants	Support	Н						Held in Senate Education Committee.
12.	SB 542*	Murray	CPEC/BPPVE Responsibilies (Master Plan)	Watch	P						Pending consideration in Senate Business and Professions Committee.
13.	SB 680*	McPherson	Cal Grant Program Revisions	Support	X	X	X	X	X	X	Awaiting the Governor's action.
14.	SB 728	Scott	Cal Grant Program - Assumption of Eligibility	Support	X	X	X	X	X	X	Chaptered by Secretary of State on 9/08/03, Chapter No. 339.
X-Action Taken H-Held in Committee P-Pending Consideration F-Failed Passage *CPEC Involvement 9/24/03											

3 Legislative Bill Summaries

1. Assembly Bill 550 Subject: Resident Student Fee Policy Author: Diaz Version: 05/01/03

Existing law authorizes the University of California, the California State University, and the California Community Colleges to require that mandatory systemwide fees, among other fees, be paid by students at these institutions. This bill would provide that the Regents of the University of California and the Trustees of the California State University bear the primary responsibility for adjusting mandatory systemwide resident student fees at their respective systems. This bill would also provide for a systemwide Student Fee Advisory Committee in each system. The bill contains other related provisions.

2. Assembly Bill 655
Author: Liu
Subject: CPEC, CSAC
Version: 08/19/03

This bill would consolidate the program responsibilities of the Student Aid Commission and the California Postsecondary Education Commission into a single state entity, the California Higher Education Policy and Finance Commission. The bill contains other related provisions.

3. Assembly Bill 680 Subject: Community College Fees Author: Liu Version: 04/10/03

Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges. Existing law also authorizes community college districts to provide instruction to students, for a fee of \$11 per unit per semester, at community college campuses throughout the state. This bill would increase these fees from \$11 per unit to \$25 per unit over a three-year period. The bill contains other related provisions.

4. Assembly Bill 825 Subject: Cal Grant Program Author: Firebaugh Version: 05/13/03

Existing law establishes the Cal Grant A and B entitlement awards, the California Community College Transfer Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions. This bill would express findings and declarations of the Legislature relating to the operation of the Cal Grant award programs with respect to older, adult, nontra-

ditional, returning, and reentry students. The bill would express legislative intent that the Student Aid Commission convene a group of interested parties to prepare a study regarding the extent to which the current Cal Grant programs adequately address the needs of California residents who seek to pursue a postsecondary education.

5. Assembly Bill 843 Subject: Mandatory Systemwide Resident Author: Committee on Higher Education Student Fee Policy Version: 04/09/03

Existing law authorizes the University of California, the California State University, and the California Community Colleges to require that mandatory systemwide fees, among other fees, be paid by students at these institutions. This bill would provide that the Regents of the University of California and the Trustees of the California State University bear the primary responsibility for adjusting mandatory systemwide resident student fees at their respective systems. The bill would also add provisions to the act to require these universities to develop methodologies for the adjustment of fees in accordance with a prescribed procedure. The bill contains other related provisions.

6. Assembly Bill 1323 Subject: Cal Grant Program – Decentralized Author: Jackson Campus-Based Approach

Version: 04/08/03

Existing law, known as the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, establishes the Cal Grant A and B entitlement awards, the California Community College Transfer Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions. This bill would require the California Postsecondary Education Commission to establish a Cal Grant Delivery Transition Work Group, with prescribed membership, to discuss, negotiate, and resolve technical and logistical issues relating to the transition to a decentralized, campus-based approach for the administration of Cal Grant award programs. The bill would require the commission to submit a plan for the implementation of this decentralized, campus-based approach to the Legislature by December 31, 2004.

7. Assembly Bill 1543 Subject: Community Colleges: Nursing Programs Author: Firebaugh Version: 04/30/03

Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges. This bill would require the Chancellor of the California Community Colleges, in collaboration with the board of governors and in consultation with nursing programs of the California Community Colleges

from around the state, to submit, by September 1, 2005, to the appropriate policy and fiscal committees of the Legislature, as well as to each California Community College nursing program, recommendations for standardized admission policies. These recommendations would include prerequisite requirements and methods for allocating slots in oversubscribed programs, to establish a clear statewide admission practice for community college nursing programs.

8. Assembly Bill 1783 Subject: Cross-Enrollment Author: Committee on Higher Education Version: 09/22/03

Existing law, known as the Donahoe Higher Education Act, sets forth, among other things, the missions and functions of California's public and independent segments of higher education, and their respective institutions of higher education. Provisions of the act apply to the University of California only to the extent that the Regents of the University of California, by appropriate resolution, act to make a provision applicable. Among other things, the act identifies common educational missions shared by educational institutions in California and differentiates more specific missions and functions among the various educational segments. This bill would delete the January 1, 2004, repeal date of this provision, and thereby extend this program indefinitely. The bill would also authorize a host campus to charge participating students an administration fee that may not exceed an amount sufficient for the campus to recover the full amount of the administrative costs it incurs under this program, rather than the \$10 limit in existing law. This bill contains other related provisions.

9. Assembly Constitutional Amendment 4 Subject: Taxation: Author: Simitian Educational Entities: Parcel Tax

Version: 04/29/03

The California Constitution conditions the imposition of a special tax by a city, county, or special district upon the approval of 2/3 of the voters of the city, county, or special district voting on that tax, and prohibits these entities from imposing an ad valorem tax on real property or a transactions or sales tax on the sale of real property. This measure would authorize a school district, community college district, or county office of education, with the approval of 55% of its voters voting on the proposition, to impose a parcel tax, as defined, and would also make conforming changes to related provisions.

10. Senate Bill 6 Subject: Public Education Governance Author: Alpert Version: 05/15/03

This bill encompasses many of the recommendations for governance in public education from the Joint Committee to Develop a Master Plan for Education. Among other provisions, the bill revises the duties of the

Postsecondary Education Commission. The bill contains a number of other changes.

11. Senate Bill 76 Subject: Education Finance: California Author: Denham Community Colleges

Community Colleges Version: 03/27/03

Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges. In the annual Budget Act, funds are appropriated to the board of governors for allocation to community college districts for the support of the operations of these districts. This bill would declare the intent of the Legislature to effectuate a recommendation of the Legislative Analyst's Office by funding 11 of the categorical programs of the California Community Colleges through 2 block grants in the 2003-04 fiscal year. This bill contains other related provisions.

12. Senate Bill 542 Subject: Private Postsecondary Education Author: Murray Version: 04/23/03

This bill would transfer the oversight of private postsecondary degreegranting institutions from the Bureau for Private Postsecondary and Vocational Education to the California Postsecondary Education Commission. It would also transfer the administration of the federally funded Veterans Program which oversees veteran's education opportunities in the State.

13. Senate Bill 680 Subject: Cal Grant Program Author: McPherson Version: 09/10/03

Existing law, known as the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, establishes the Cal Grant A and B entitlement awards, the California Community College Transfer Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions. This bill would require the Student Aid Commission to convene an existing advisory committee to review the existing formula for calculating high school grade point averages under the act. The bill would require the commission to report the findings and recommendations of this committee to the Legislature as part of a report that is currently required to be submitted to the Legislature, prior to December 31, 2004. The bill would also require the commission to review the issue of whether the act provides adequate resources for nontraditional, returning, and older adult students, and to report its findings and recommendations to the Legislature as part of the same report required above, prior to December 31, 2004.

14. Senate Bill 728 Subject: Cal Grant Program

Author: Scott Version: 09/08/03

Existing law, known as the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, establishes the Cal Grant A and B entitlement programs, the California Community College Transfer Cal Grant Entitlement Program, and the Competitive Cal Grant A and B awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs. This bill would provide that any applicant who qualifies to be considered under the simplified needs test established by federal law for student assistance shall be presumed to meet the asset level requirements established by the act. The bill would require that, prior to disbursing any Cal Grant funds, a qualifying institution participating in the Cal Grant programs resolve any conflicts that may exist in the data the institution possesses relating to that individual.

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Committee Membership

THIS PART of the Legislative Update lists the members of the legislative policy and fiscal committees for higher education.

Senate Appropriations Committee

Dede Alpert, Chair Jim Battin, Vice-Chair

Sam Aanestad Roy Ashburn Debra Bowen John Burton Martha Escutia Ross Johnson Betty Karnette Mike Machado Kevin Murray Charles Poochigian Jackie Speier

Senate Budget and Fiscal Review Committee

Wes Chesbro, Chair

Dick Ackerman, Vice-Chair Gilbert Cedillo

Denise Ducheny Joseph Dunn Sheila Kuehl Bob Margett

Tom McClintock Bruce McPherson Deborah V. Ortiz

Jack Scott
Byron D. Sher
John Vasconcellos

Senate Budget and Fiscal Review Subcommittee No. 1 on Education

Jack Scott, Chair Bob Margett John Vasconcellos

Senate Education Committee

John Vasconcellos, Chair Bruce McPherson, Vice-Chair

Richard Alarcon Dede Alpert Wes Chesbro Jeff Denham Betty Karnette

William "Pete" Knight

Gloria Romero Jack Scott Byron D. Sher Jackie Speier Edward Vincent

Senate Education Subcommittee on Higher Education

Jack Scott, Chair Dede Alpert Jeff Denham Bruce McPherson Gloria Romero John Vasconcellos

Senate Select Committee on Colleges & Universities Admissions & Outreach

Richard Alarcon, Chair Dede Alpert Gilbert Cedillo Bruce McPherson Bill Morrow Jack Scott Edward Vincent

Assembly Appropriations Committee

Darrell Steinberg, Chair Patricia Bates, Vice-Chair

Patty Berg Ronald Calderon Ellen M. Corbett

Lou Correa Lynn Daucher Manny Diaz Marco Firebaugh Jackie Goldberg Ray Haynes Mark Leno

Abel Maldonado

Gloria Negrete McLeod

Joe Nation Fabian Nunez Robert Pacheco Fran Pavley

Mark Ridley-Thomas

Sharon Runner Steven Samuelian Joseph Simitian Patricia Wiggins Leland Yee

Assembly Budget Committee

Jenny Oropeza, Chair John Campbell, Vice-Chair

Patricia Bates
John Benoit
Rudy Bermudez
Joe Canciamilla
Wilma Chan
Judy Chu
David Cogdill
Lynn Daucher
Many Diaz
John Dutra

Mervyn Dymally Jackie Goldberg Loni Hancock Tom Harman Ray Haynes

Hannah-Beth Jackson

Rick Keene Lloyd Levine Carol Liu Bill Maze

Kevin McCarthy Cindy Montanez George Nakano Rod Pacheco Fran Pavley Sarah Reyes Sharon Runner Joseph Simitian Lois Wolk

Assembly Budget Subcommittee #2 on Education Finance

Joseph Simitian, Chair Joe Canciamilla Wilma Chan Lynn Daucher

Jackie Goldberg Carol Liu

Sharon Runner

Assembly Education Committee

Jackie Goldberg, Chair George Plescia, Vice-Chair

Rebecca Cohn Manny Diaz Bonnie Garcia Loni Hancock Carol Liu Gene Mullin Fran Pavley Sarah Reyes Mark Wyland

Assembly Higher Education Committee

Carol Liu, Chair

Alan Nakanishi, Vice-Chair

Patty Berg Russ Bogh Mervyn Dymally Shirley Horton

Hannah-Beth Jackson Alan Lowenthal Barbara Matthews

Gloria Negrete McLeod

Tony Strickland

Joint Committees

Joint Committee to Develop a Master Plan for Education

Sen. Dede Alpert, Chair Sen. Richard Alarcon Sen. Betty Karnette

Sen. William "Pete" Knight Sen. Bruce McPherson Sen. Kevin Murray Sen. Charles Poochigian

Sen. Jack Scott

Sen. John Vasconcellos

Asm. Jackie Goldberg, Co-Vice Chair

Asm. Carol Liu, Co-Vice Chair

Asm. Greg Aghazarian

Asm. Judy Chu

Asm. Lynn Daucher

Asm. George Nakano

Asm. Sarah Reyes

Asm. Darrell Steinberg

Asm. Mark Wyland

Joint Committee on Legislative Budget

Sen. Wesley Chesbro, Chair

Sen. Dick Ackerman Sen. Dede Alpert Sen. Jim Battin Sen. Joseph Dunn

Sen. Tom McClintock

Sen. Jack Scott

Sen. John Vasconcellos

Asm. Jenny Oropeza, Vice-Chair

Asm. Patricia C. Bates Asm. John Campbell Asm. Jackie Goldberg Asm. Loni Hancock Asm. Kevin McCarthy Asm. Joe Nation

Asm. Darrell Steinberg

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